



DEPARTMENT OF THE ARMY  
ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT  
600 ARMY PENTAGON  
WASHINGTON, DC 20310-0600



REPLY TO  
ATTENTION OF

DAIM-MD

19 AUG 2002

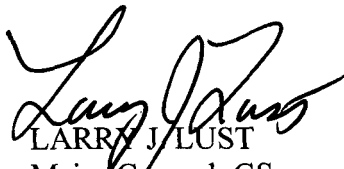
MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Policy for Implementation of Sustainment/Restoration and Modernization (S/RM)  
Code Reporting in the Real Property Inventory, Integrated Facilities System (IFS)

1. References:

- a. AR 405-45, Inventory of Army Military Real Property, dated 30 June 2000.
  - b. Interim Change Package (ICP) 14-01 baseline for the Integrated Facilities System (IFS).
2. This memorandum establishes Army policy for the reporting of Sustainment/Restoration and Modernization Codes in the Real Property Inventory. These codes were established by the Department of Defense (DoD) to identify funding responsibility for the sustainment and replacement of facilities. These codes will be used to develop the Program Objective Memorandum (POM) beginning fiscal year 2006. The 30 September 2003 real property inventory will feed that POM cycle.
3. Reference 1 b incorporates data elements to track sustainment and replacement responsibilities in accordance with Department of Defense Instruction (DoDI) 4 165.14, Inventory of Military Real Property. The ICP must be loaded prior to the 30 September 2002 data call.
4. Enclosed is guidance on the S/RM codes requirements and procedures. The POC is Ms. Julie Jones, Real Property Program Manager, telephone (703) 692-9223 or email [julie.jones@hqda.army.mil](mailto:julie.jones@hqda.army.mil).

Enclosures

  
LARRY J. LUST  
Major General, GS  
Assistant Chief of Staff  
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DAIM-MD

SUBJECT: Policy for Implementation of Sustainment, Restoration/Modernization (S/RM) Code Reporting in the Real Property Inventory, Integrated Facilities System (IFS)

DISTRIBUTION:

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US Army Training and Doctrine Command, ATTN: ATBO-GPL

US Army Training and Doctrine Command, ATTN: ATZG-Chief of Staff

US Army Forces Command, ATTN: AFEN-EN

US Army Europe, ATTN: AEAEN

US Army Materiel Command, ATTN: AMCEN-R

USAMC Installations & Services Activity, ATTN: AMXIS-C

US Army Military Traffic Management Command, ATTN: MT-LOF

US Army Pacific Command, ATTN: APEN

Eighth US Army, ATTN: EAFE

US Army Medical Command, ATTN: MCFA-M

US Army Space and Strategic Defense Command, ATTN: CSSD-EN-E

US Army Military District of Washington, ATTN: ANEN-M

US Army Corps of Engineers, ATTN: CELD-ZE

US Army Reserve Command, ATTN: ARFC-ENP

US Army Test and Evaluation Command, ATTN: CSTE-ILE-EH

Director

National Guard Bureau, ATTN: NGB-AZQ

Army National Guard, ATTN: NGB-ARI

Superintendent, US Military Academy, ATTN: MAEN-A

CF:

HQ Department of the Army, OCAR, ATTN: DAAR-EN

DAIM-MD (Ms. Smith; Ms. Jones; Mrs. Erickson; Ms. Brennan)

DAIM-FDH (Ms. Naranjit/Ms. Seymour)

CERE-PS

US Army Information Systems Command, ATTN: AS-ENGR

US Army Japan, ATTN: AJEN-FE

US Army Intelligence and Security Command, ATTN: IALOC-IF

Defense Logistics Agency

HQ, IMA

**GUIDANCE ON IMPLEMENTING  
SUSTAINMENT, RESTORATION/MODERNIZATION CODE  
REPORTING IN THE  
INTEGRATED FACILITIES SYSTEM**

1. Background: Department of Defense (DoD) is establishing standard methodologies across the services and agencies to account for real property to meet current and projected analytic and reporting requirements. These methodologies and accounting requirements include information for programming, budgeting, and financial reporting. Department of Defense Instruction (DoDI) 4 165.1<sup>4</sup>, Department of Defense Real Property Inventory Reporting and Forecasting, has recently been updated and the update established the Sustainment, Restoration/Modernization (S/RM) codes to show which service or agency has use of a facility, sustainment responsibility and/or, replacement responsibility.

2. The S/RM codes will be used for the development of the annual Program Objective Memorandum (POM), beginning with the FY06 POM cycle (30 September 2003, Real Property Inventory (RPI)). We will use the S/RM codes to break out the requirements by fund appropriation and organization. S/RM codes are to be captured at the agency level of organization, e.g., Army Active, Air Force Active, Defense Logistics Agency, Defense Commissary Agency, etc. The funding codes are captured at the appropriations level, e.g., Operations and Maintenance, Working Capital Fund, etc. Enclosure One is the list of S/RM Organization codes, and Enclosure Two list the S/RM Fund codes.

3. Interim Change Package (ICP) 14-01 for the Integrated Facilities System (IFS) incorporates the data elements to track the sustainment and replacement responsibilities. The main Real Property Facility screen has two new data code elements: Replacement Organization, and Replacement Fund codes. The Real Property Facility (RPF) Assignment Screen has three new data code elements: User Organization, Sustainment Organization, and Sustainment Fund. Each of these data code elements is addressed in the following paragraphs:

a. **User Organization Code**. This code determines the DoD recognized organization that is physically occupying or using all or part of a facility. The organization code is to be recorded in the RPF ASSIGNMENT screen, in the "User Organization" data field. This new code is not intended to replace the current IFS requirement to assign real property by Unit Identification Code (UIC). The user may not use '99' to identify that the facility is vacant; a valid organization code must be used. Enclosure One contains the list of organization codes to be used.

b. **Sustainment Organization Code**. This code determines the DoD recognized organization that is responsible for all or part of the sustainment of a facility. The sustainment organization code is to be recorded on the RPF ASSIGNMENT screen in the "Sustainment Organization" data field. If one organization is responsible for the sustainment of the entire facility even though many users might be assigned to it, then that organization's code should appear on each assignment record as the responsible organization for sustainment. In other words, multiple users could all have to pay for sustainment and each record would reflect that. How these codes are assigned is a function of the agreements made between the users of all or part of the facility and the installation with regard to maintenance of the facility. A user organization does not always pay for sustainment of the facility they are using and the support

agreements should reflect any agreement between multiple facility users. Facilities that are excess to installation needs and approved for demolition or disposal will be coded with “99, not applicable”, as the sustainment organization code. For non-Army owned property such as leases, permits, NATO property etc., you need to assign the applicable organization codes as well. Enclosure One contains the list of organization codes to be used.

c. **Sustainment Fund Code.** This code determines the DoD recognized POM appropriation that pays for the sustainment of all or part of the facility. The fund code is to be recorded on the RPF ASSIGNMENT screen in the sustainment fund data field. It is complementary to the sustainment organization code as it will show which service or agency and appropriation is to sustain the facility or a portion of the facility. Enclosure Two contains the list of fund codes to be used. As previously stated, these codes will reflect the main appropriation for a given installation. Please note that Family Housing Operations (Code 06) is separate from Operations and Maintenance (Code 03). This will require that some of the installation’s previously consolidated facility records (e.g., roads, parking lots, sidewalks and utilities) be broken out into separate facility records since the Family Housing appropriation pays for the maintenance of those facilities within the housing areas. This also applies to those supporting facilities for other tenant agencies, i.e., TRICARE Management Activity, Defense Logistics Agency, and Defense Commissary Agency. It will be necessary for the installation Real Property Officer to identify tenants assigned to specific facilities, and coordinate with the resource management personnel, and personnel who prepare support agreements for that organization, to ensure the correct sustainment fund code is placed in the RPF ASSIGNMENT record. Facilities that are excess to installation needs and approved for demolition or disposal will be coded with “99, not applicable”, as the sustainment fund code. For non-Army owned property such as leases, permits, NATO property etc., you need to assign the applicable fund codes as well. Enclosure Two contains the list of fund codes to be used. Note that the fund code table denotes in column three which of the codes are valid for use as a sustainment fund code.

d. **Replacement Organization Code.** This code determines the DoD service or agency that is responsible for replacement of the entire facility. The replacement organization code is to be recorded on the REAL PROPERTY FACILITY screen in the “Replacement Organization” data field. Only one organization will be responsible for the replacement of a facility. The user organization of a facility does not necessarily have replacement responsibility and in situations where there are multiple users in a facility, a decision must be made as to who has the responsibility for replacement. The ICP will have a default that gives replacement responsibility to the user with the largest use of the facility. The Real Property Accountable Officer will need to coordinate with the resource management office, personnel who prepare support agreements, and tenant activities to ensure the facility replacement responsibility has been correctly identified. Facilities that are excess to installation needs and approved for demolition or disposal will be coded with “99, not applicable”, as the replacement organization code. For non-Army owned property such as leases, permits, NATO property etc., you need to assign the applicable organization codes as well. Enclosure One contains the list of organization codes to be used.

e. **Replacement Fund Code.** This code determines the DoD recognized POM appropriation that funds the replacement of an entire facility. The fund code will be recorded on the REAL PROPERTY FACILITY screen in the “Replacement Fund” data element. Enclosure Two contains the list of fund codes to be used. As previously stated, these codes will reflect the

main appropriation for an installation. Note that Family Housing Operations (Code 06) is separate from Army Active Operations and Maintenance (Code 03). This will require that some of the installation's previously consolidated facility records (e.g., roads, parking lots, sidewalks and utilities) be broken out into separate records since the Family Housing appropriation pays for the replacement of these facilities within the housing areas. This also applies to those supporting facilities for other tenant activities, i.e., TRICARE Management Activity, Defense Logistics Agency, and Defense Commissary Agency. It will be necessary for the installation Real Property Officer to identify tenants assigned to specific facilities, and coordinate with the resource management personnel, and personnel who prepare support agreements to ensure that the correct fund code is recorded. Facilities that are excess to installation needs and approved for demolition or disposal will be coded with "99, not applicable", as the replacement fund code. For non-Army owned property such as leases, permits, NATO property etc., you need to assign the applicable fund codes as well. Enclosure Two contains the list of fund codes to be used. Note that the fund code table denotes in column 3 which of the codes are valid for use as a replacement code.

#### 4. Fielding of ICP 14-01.

a. When the installation loads ICP 14-01, the S/RM codes will be automatically populated by the system to the appropriate records as described above. This includes all ownership codes. Because of this, you will need to review each facility in your inventory. The logic to do this initial mapping is based on the current ACSIM POM Business Rules (you can see the rules on the ACSIM Web Page, which is located at the ACSIM home page <http://www.hqda.army.mil/acsimweb/ops/ops.shtml> – click on Organization Links, then click on Plans and Operations, and then click on Business Rules S/RM).

b. After ICP 14-01 has finished processing, installations will use the Sustainment, Replacement, and User Organization/Fund report to analyze which codes were assigned to a facility. It is critical that these codes be reviewed for correctness with the resource management office, support agreement office, and tenant activities. Based upon your review, Installation Support Agreements may need modification or the codes may need revised.

5. In addition, the SR/M codes discussed above, the ICP 14-01 also includes updates to several existing tables. These additions are addressed in Enclosure Three.

6. We again caution you that the Army's POM 06 sustainment budget calculations will be based on the S/RM codes as reported by your installations to HQIFS EIS using the FY 2003 Qtr 4 submission (30 Sep 03 RPI). Facilities that are not coded as Army will be excluded from the programming inventory. Facilities to be sustained by the Army will be sorted by the organization codes 00 ■ Army Active, 01 ■ Army Reserve, and 02 ■ Army National Guard. This will form the basis of our inventory for determining the sustainment requirements for the POM.

The inventory will then be sliced by category code and **fund** source code. The category code identifies which cost factors to apply and the fund source identifies which appropriation should be applied.

7. OSD will also use these **S/RM** codes to determine the sustainment requirement for each **DoD** agency and military service (Army, Navy, Air Force).

## ENCLOSURE ONE - Organization Code

Code	Organization
	<b>Military Services</b>
00	Army Active
01	Army Reserve
02	Army National Guard
03	Air Force Active
04	Air Force Reserve
05	Air National Guard
06	Navy Active
07	Navy Reserve
08	Marine Corps Active
09	Marine Corps Reserve
	<b>Unified Commands</b>
15	Special Operations Command (USSOCOM)
	<b>Defense Agencies</b>
21	Ballistic Missile Defense Organization (BMDO)
22	Defense Advanced Research Projects Agency (DARPA)
23	Defense Commissary Agency (DECA)
24	Defense Contract Audit Agency (DCAA)
25	Defense Contract Management Agency (DCMA)
26	Defense Finance and Accounting Service (DFAS)
27	Defense Information Systems Agency (DISA)
28	Defense Intelligence Agency (DIA)
29	Defense Legal Services Agency (DLSA)
30	Defense Logistics Agency (DLA) – Other (HQ, etc)
31	DLA Defense Distribution Center (DDC)
32	DLA Defense Reutilization and Marketing Service (DRMS)
33	DLA Defense Energy Support Center (DESC)
34	DLA Defense Supply Center Philadelphia (DSCP)
35	DLA Defense Supply Center Columbus (DSCC)
36	DLA Defense Supply Center Richmond (DSCR)
37	DLA Defense Automation and Production Service (DAPS)
38	DLA Defense National Stockpile Center (DNSC)
39	Defense Security Cooperation Agency (DSCA)
40	Defense Threat Reduction Agency (DTRA)
41	National Imagery and Mapping Agency (NIMA)
42	National Security Agency (NSA)
	<b>DoD Field Activities</b>
50	American Forces Information Service (AFIS)
51	DoD Education Activity (DoDEA)
52	DoD Human Resources Activity
53	TRICARE Management Activity (TMA) – <i>MEDCOM for Army</i>
54	Washington Headquarters Services (WHS)
	<b>Other Organizations</b>
60	Other Federal Agencies
61	State and Local Agencies
62	North Atlantic Treaty Organization (NATO)
63	Other Nations
64	Private Organizations
98	Armed Forces Exchanges
99	Not Applicable

**ENCLOSURE TWO**  
**Fund Code**

Code	Description	Use For
01	Military Construction	Replacement
02	Base Realignment and Closure	Sustainment, Replacement
03	Operations and Maintenance	Sustainment, Replacement
04	Research, Development, Test, and Evaluation	Sustainment, Replacement
05	Family Housing Construction	Replacement
06	Family Housing Operations	Sustainment, Replacement
08	Procurement	Sustainment, Replacement
09	Working Capital Fund	Sustainment, Replacement
10	Foreign Funds	Sustainment, Replacement
11	Nonappropriated Fund (NAF)	Sustainment, Replacement
12	Private/Donation	Sustainment, Replacement
13	Other Funds	Sustainment, Replacement
99	Not Applicable	Sustainment, Replacement

**Replacement.** Replacement is restoration, modernization or actual replacement of a facility. Restoring or modernizing will put a facility in like new condition. It must include the foundation of the existing facility. Replacement normally comes at the end of the lifecycle of the facility.

**Sustainment.** The maintenance and repair activities necessary to keep a typical inventory of facilities in good working order over their expected service lives. It includes regularly scheduled adjustments and inspections, preventive maintenance tasks, and emergency response and service calls for minor repairs. It also includes major repairs or replacement of facility components (usually accomplished by contract) that are expected to occur periodically throughout the facility service life. It also includes regular roof replacement, refinishing wall surfaces, repairing and replacing electrical, heating, and cooling systems, replacing tile and carpeting, and similar types of work.

**ENCLOSURE 3**  
**TABLE UPDATES IN SCP 14-01 IFS BASELINE**

1. **Status kind operator table**, Add the following:

<u>Code</u>	<u>Description</u>
K	Semiactive, Industrial (Government operated)
P	Semiactive, Industrial (Contractor operated)

2. **Ownership Code table**: Several codes have been added. Also the definitions on several of the codes have been changed. See the new Ownership Code table at the end of this Enclosure

3. **Facility Acquisition Code table**: Add the following:

<u>Code</u>	<u>Description</u>
Y	State purchased (National Guard)

4. **Function Code table**: Add the following:

<u>Code</u>	<u>Description</u>
0 (alpha)	Other than Army Installation

5. **Outgrant authority type table**: Add the following values:

F = The Armament Retooling and Manufacturing Support Initiative (ARMS) is special legislated authority at Government-Owned, Contractor-Operated Army Ammunition Plants which encourages commercial use of Army property to off-set Army costs of ownership. The ARMS program was established under authority of the 1993 Defense Authorization Act and was further amended by the 2001 Defense Authorization Act. Use agreements are in the form of contracts issued under the Federal Acquisition Regulation versus Corps of Engineer Leases.

New construction/facility alterations by the ARMS contractor or ARMS Tenants can be “owned” by either the ARMS contractor/tenant or the Government depending upon the source of funding. The ownership code in the Real Property Inventory for new construction accomplished with private funding will be “8” – for Privately Owned. Facilities newly constructed with Government funds will reflect ownership code “1” for Government Owned. Existing facilities remain under Government ownership (ownership code “1”) and retain the last Army facility use (category code). All facilities falling under ARMS contracts will be assigned to the ARMS contractor.

The cost of new construction and/or improvements of real property facilities including utility distribution systems will be reported in the real property inventory database to assure compliance of the Chief Financial Officer’s Act of 1990. The property will be transferred to the U.S. Army accountable office at the end of or termination of the contract or the construction/improvements will be removed as deemed appropriate by the Government.

NOTE – Need New Payment Type Indicator of “0” Optional/Allowed

### **Enclosure Three Cont'd**

G = An Energy Savings Performance Contract (ESPC) is a firm fixed priced contract with an approved Energy Savings Performance Contractor (ESCO) to provide Army installations engineering, design, construction, maintenance operations and financing of an energy project. The project, when complete, will save energy and/or water resources and budgeted dollars. The ESCO is repaid for his initial investment and maintenance and repair and operating costs from the budgeted dollars saved as a result of ESCO efforts. The responsibility for maintenance and repair (and sometimes operations) remains with the Contractor for the duration of the contract. Typical ESPC projects range between 5 to 10 million dollars and have a payback period of 20 years.

Assets installed by the ESCO are typically owned by the ESCO for the duration of the contract. Real property assets installed by the ESCO will be reported on the real property records with an ownership code "8" (privately owned). Cost of construction and/or improvements of real property facilities including utility distribution systems will be reported in the real property inventory database to assure compliance of the Chief Financial Officer's Act of 1990. The property will be transferred to the U.S. Government at the completion of the contract or when the Government assumes ownership (which sometimes occurs at the completion of construction).

H = The Arsenal Support Program Initiative (ASPI) is a two-year test program authorized by the 2001 Defense Authorization Act to provide the three Arsenals opportunities to commercialize operations in a manner very similar to ARMS. If the program were successful, additional legislation would be required to expand the special authorities to other Government-Owned, Government-Operated installations.

New construction/facility alterations by the ASPI contractor or ASPI tenants can be "owned" by either the ASPI contractor/tenant or the Government depending on the source of funding. The ownership code in the Real Property Inventory for new construction accomplished with private funding will be "G" for Privately Owned. Facilities newly constructed with Government funds will reflect ownership code "1" for Government Owned. Existing facilities remain under Government ownership (ownership code "1") and retain the last Army facility use (category code). All facilities falling under ASPI contracts will be assigned to the ASPI contractor. The cost of new construction and/or improvements of real property facilities including utility distribution systems will be reported in the real property inventory database to assure compliance with the Chief Financial Officer's Act of 1990. The property will be transferred to the U.S. Army accountable office at the end of or upon termination of the contract or the construction/improvements will be removed as deemed appropriate by the Government.

P = Other Than PL2667 - this covers easements, licenses, and permits that do not fall under PL 2667.

In addition the Payment Type Indicator for Outgrant Authority Types = A, 0, or V should also be set = 0 (Optional/Allowed)

Enclosure Three Cont'd

Ownership Code Table - Revised		
Code	Description	Type
FEDERAL		
0	<b>Civil works</b> - Facilities owned or leased by the U.S. Army Corps of Engineers accountable by Army installations. Example: Resident Engineer building in support of an MCA project on post. Note: Do not use this ownership code for Federally owned installations. Civil Works does not own property on installations such as Fort Stewart, etc.	Civil
1	<b>Army Owned</b> - Facilities constructed, purchased, or fee title accountable for the Army, however acquired. Examples: TRADOC HQ building at Fort Monroe, VA; facilities within ARNG enclaves on Fort Stewart; surplus commodity housing acquired by the Army.	Army Owned
2	<b>Lease, Off Installation (in leases or easement-in, off the installation)</b> - Facilities held under lease agreements which are physically located off the installation, including condemnation leaseholds and GSA space management. Example: Leased warehouse off the installation.	Lease
6	<b>Lease, On Installation (in leases or easement-in, on the installation)</b> - Facilities held under lease agreements, which are physically located on the installation but privately owned. Example: Property at Fort Meade sold to Library of Congress; installation has in lease to use part of the property.	Lease
C	<b>Lease, Capital</b> - A lease agreement wherein the lease transfers ownership to the lessee by the end of the lease term. The lease is capital if it contains at least one of the following: an option to purchase the leased property at the bargain price, the non-cancelable lease term is equal to or greater than 75 percent of the estimated economic life of the leased property or the present value of rental and other minimum lease payments, or excluding that portion of the payments representing executory cost (such as insurance, maintenance and taxes, equals or exceeds 90 percent of the fair market value of the leased property.	Lease
D	<b>Leaseback BRAC</b> - Leases for DoD transfers of non-surplus BRAC property that is still needed by the Army by deed or through a lease from the Local Reuse Authority (LRA) in furtherance of conveyance to the LRA	Lease
E	<b>Leaseback non-BRAC</b> - Leases for DoD transfers of non-surplus property on excess installations that is still needed by the Army by deed or through a lease.	Lease
3	<b>Other InGrants</b> - Facilities acquired for use by license, permit (other than from the Air Force or Navy), temporary public land order, temporary executive land order, or furnished rent-free by a foreign government under treaty or other agreement. Examples: Permit-in from National Forest Service to use land; Headquarters, USAREUR buildings at Campbell Barracks, Heidelberg.	Permit
4	<b>Permit, AF or Navy</b> - Facilities held under permit (not transfers) from the Air Force or Navy. Example: USARC permit-in to use Air Force land for training.	Permit
5	<b>NATO</b> - Facilities funded by the North Atlantic Treaty Organization (NATO) for Army uses. (Valid for CONUS and OCONUS). Example: NL126, Brunssum POMMS.	NATO
7	<b>Agreement</b> - Federal facilities acquired by either international or third party agreement. Example: Contractor owned, government operated facility.	Agmt
PRIVATE OWNERSHIP		
8	<b>Privately owned</b> - Includes all buildings, structures, and utility systems that are owned and operated by the private sector on Army owned or controlled land. Example: Banks or Credit Unions on Army installations.	Private
G	<b>RCI/CVI</b> - Residential Commercial Initiative/Commercial Venture Initiative for facilities such as Family Housing or commercial facilities that are owned by the contractor on Federal government-owned land under the RCI/CVI programs.	Private
NG STATE OWNED or CONTROLLED (only used by the ARNG)		
9	<b>State NG Owned-</b> Facilities owned by the State. Example: National Guard Armory on state property.	State